beg to move for leave to introduce a Bill further to amend the Industrial Disputes Act. 1947.

The question was put and the motion was adopted.

SHRI G. VENKAT SWAMY: Sir, Introduce the Bill.

THE VICE-CHAIRMAN (SHRI MD. SALIM): Now let us take up the Bill for consideration and passing the Technology Development Board Bill, 1995. Shri Debiprosad Pal.

I. THE TECHNOLOGY DEVELOPMENT BOARD BILL, 1995

II. THE RESEARCH AND DEVELOPMENT CESS (AMENDMENT) BILL, 1995

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBIPROSAD PAL): Sir, I move the Technology Development Board Bill, 1995 and the Research and Development Cess (Amendment) Bill, 1995.

THE VICE-CHAIRMAN (SHRI MD. SALIM): You move one by one. The discussions will be taken up together.

DR. DEBIPROSAD PAL: Very well. The Bills are complementary.

Sir, I move:

> "That the Bill to provide for the constitution of a Board for payment of equity capital or any other financial assistance to industrial concerns and other agencies attempting development and commercial application of indigenous technology or adapting imported technology to wider domestic applications and for matters connected therewith or incidental thereto, as passed by the Lok Sabha, be taken into consideration."

Sir, I also move:

> "That the Bill to amend the Research and Development Cess Act, 1986, as passed by the Lok Sabha, be taken into consideration."

The Hon'ble Members might recall that during the President's address to Parliament on the eve of the Budget Session 1994, the Hon'ble President had underlined the need for tapping our own talents in the area of technology. The pace of technological changes, the need to shift to technologies which are environmental friendly and the restrictions being placed on transfer of technology, require India to rely more on domestic talents. With the increasing pace of liberalisation of the Indian economy, research, design and development of application oriented technology, appropriate to our needs is vital to improve our industrial productivity and Global competitiveness.

In pursuance of the above policy directions, the Finance Minister while presenting the Budget of the Central Government for the year 1994-95 had announced the setting up of a New Fund for Technology Development and Application, to be placed at the disposal of Department of Science and Technology to help the indegenously developed technologies reach the stage of commercial application to make science and technology effective instrument of national renewal and accelerate the development and application of indigenous technology to production processes.

To augment the New Fund, it is proposed to divert the proceeds collected by way of 5% Cess on import of technology which was earlier being utilised to provide financial support to the Venture Capital Fund administered by the IDBI.

To facilitate such transfer of funds to the Fund for Technology Development and Application it is proposed to amend the Research and Development Cess Act of 1986. The R&D Cess Act which was passed in 1986 provides for a levy of 5%

cess on all payment made for import of technology abroad including royalty payments, lumpsum know-how payments etc., setting up of a Venture Capital fund to be administered by the Industrial Development Bank of India (IDBI).

The proposed Amendment Bill provides for:

(a) Placing of funds with the proposed Fund for Technology Development and Application in lieu of releases to Venture Capital Fund;

(b) Assign the responsibilities of administering the Technology Development and Application fund to a newly constituted Technology Development Board which in its earlier form of Venture Capital Fund was being administered by IDBI;

(c) The Act of 1986 provided for payment of Cess on foreign technology collaborations approved by the Government of India. The amendment now proposed will bring within its ambit even those foreign technology collaborations which come under the Automatic approval by Reserve Bank of India apart from the agreements which are approved by Government.

The Technology Development Board Bill seeks to constitute a Board for Technology Development and Application. The Board will include Secretary level representations from the Government of India and members having experience in technology development banking & finance, agriculture, rural development and industry. The Board will provide equity capital or any other financial assistance to industrial concerns or other agencies attempting development and adapting imported technology to wider domestic application. The Board will also provide financial assistance to Research & Development Institutions engaged in developing indigenous technology or assisting in adaptation of imported technology by industrial concerns.

With these words, I commend the Bills which are complementary, for the consideration of the House.

The questions were proposed.

श्री राजनाथ सिंह (उत्तर प्रदेश) : श्रीमान, माननीय मंत्री जी ने इस सदन के पटल के समक्ष दो बिल प्रस्तुत किए हैं, 1. "दि रिसर्च डवेलपमेंट सेस (अमैंडमेंट) बिल, 1995 और दूसरा है, 2. "दि .....टेक्नॉलॉजी डवेलपमेंट बोर्ड बिल, 1995।

मान्यवर, यह रिसर्च एंड डवेलपमेंट सेस (अमैंडमेंट) बिल 1986 में बना था और इसमें संशोधन किया गया है, इस बार। मैं समझता हूं कि मंत्री जी ने जिस क्रम में विधेयकों को सदन के समक्ष प्रस्तुत किया है, प्राथमिकता मिलनी चाहिये। सबसे पहले रिसर्च एंड डवेलपमेंट सदन के पटल पर प्रस्तुत किया जाता क्योंकि जब फंड ही नहीं होगा मान्यवर तो फिर गठन कहां से होगा? वैसे दोनों बिल "को रिलेटिड" है, एक दूसरे से संबंधित हैं, इनको अलग नहीं किया जा सकता है। अब यह जो सरचार्ज लगेगा, यह जो उपकर लगेगा, उन सारे पेमेंट्स के ऊपर लगेगा। वह ऐसी टेक्नॉलॉजी इम्पोर्ट करेगा, जिस टेक्नॉलॉजी के माध्यम से घरेलू हमारे टेक्नीकल डवेलपमेंट के काम हो सकें और कमर्शियल एप्लीकेशन को भी प्रमोट किया जा सके। भारत सरकार ने यह अच्छा किया कि 1986 के एक्ट की जो सीमा थी, उसे समाप्त कर दिया। फारेन टेक्नॉलॉजी कोलाब्रेशन जो थे, जो गवर्नमेंट आफ इंडिया के द्वारा एप्रूवड था उस पर सेस लगता था, लेकिन इस प्रतिबंध को भारत सरकार ने बन्द कर दिया है, इस बार और बल्कि किसी भी प्रकार का फॉरेन टेक्नोलॉजी कोलोब्रेशन जो कि रिजर्व बैंक आॅफ इंडिया के द्वारा भी यदि वह मान्यता प्राप्त है, एप्रूव्ड है तो यह प्रतिबन्ध उसके लिए नहीं होगा गवर्नमेंट आफ इंडिया के द्वारा भी उसका एप्रूवअल होना चाहिये। यह करके तो सरकार ने ठीक ही किया है और इस बिल का मैं समर्थन करता हूं।

लेकिन दूसरा बिल जो टैक्नॉलाजी डवेलपमेंट बोर्ड के गठन से संबंधित है, इस कदम को भी भारत सरकार को मैं उचित ठहराता हूं क्योंकि यह बोर्ड ऐसे इंडस्ट्रियल फंक्शन को और ऐसी एजेंसीज को फानिंनशियल एसिस्टेंस देने का काम करेगा जो कि डोमेस्टिक एप्लीकेशन्स को अथवा इम्पोर्टिड टेक्नॉलॉजी के द्वारा ज्या से ज्यादा प्रोत्साहित करने का काम करेंगी। तो एक

क्लेरीफिकेशन मैं माननीय मंत्री द्वारा जरूर चाहूंगा। इसमें जो मेंशन किया गया है इंडस्ट्रियल कन्सर्न एंड अदर इंडस्ट्रीज, तो इंडस्ट्रियल कन्सर्न के अतिरिक्त अदर एजेंसीज में क्या-क्या हो सकता है क्या इसमें तमाम सारे साइंस रिसर्च सेंटर हो सकते हैं, अथवा साइंस रिसर्च लेबोलेटरी हो सकती है, ऐसी एजेंसीज आप किन-किन संस्थाओं को मानते हैं, इसका क्लेरीफिकेशन मैं माननीय मंत्री जी से चाहूंगा। साथ मैं एक जानकारी यह भी चाहूंगा क्योंकि यह रिसर्च एंड डेवलपमेंट सश बिल जो इस बार आया है, यह ऐक्ट बन चुका था 86 में। तो जो सेश कलेक्शन हुआ है, वह सेश कलेक्शन अब तक कितना हुआ है, इसकी भी जानकारी में चाहूंगा ताकि टैक्नालाजी डेवलपमेंट बोर्ड के भविष्य के बारे में भी हम अनुमान लगा सकें और मैं इसे आवश्यक मानता हूं। विज्ञान और टेक्नालाजी के मामले में भारत अगर विश्व में अपने को खड़ा करना चाहता है तो यह आवश्यक है कि इस बोर्ड को और अधिक रिच बनाया जाए। इस बोर्ड के गठन का जहां तक सवाल है, मान्यवर, मुझे निवेदन करना है कि जो साइंस एंड टेक्नालाजी डिपार्टमेंट का सेक्रेटरी होगा वही इस बोर्ड का एक्स-आफिसियो चेयरमेन होगा और इसके भिन्न-भिन्न विभागों के चार सेक्रेटरी भी इसके एक्स-आफिसियो मेंबर होंगे। मैं समझता हूं कि जिस तरीके से सरकार ने प्रपोज किया है, इस टैक्नालाजी बोर्ड के गठन को, उससे पूरा बोर्ड ब्यूरोक्रेटिक हो जाएगा और ब्यौरोक्रेटिक करेक्टर के द्वारा, मैं समझता हूं कि जिन उद्देश्यों को हम प्राप्त करना चाहते हैं उन उद्देश्यों की प्राप्ति हम नहीं कर पायेंगे।

मेरा इस संबंध में सुझाव यह है कि चेयरमैन जो होना चाहिये वह रिसर्च एंड डेवलपमेंट फील्ड का होना चाहिये और इसके अतिरिक्त जो दूसरे चार मेम्बरों को गवर्नमेंट आफ इंडिया नामीनेट करेगी, उनके नामीनेशन में विशेष रूप से इस बात का ध्यान रखा जाना चाहिये कि उसके लिए निश्चित रूप से कोई न कोई सिस्टम बनाना चाहिये इसके माध्यम से इन चार लोगों के नामीनेशन के सुझाव दे सकें और पैनल भारत सरकार को भेज सकें। ऐसा न हो कि जिनको साइंस और टेक्नालाजी के बारे में जिस तरह की जानकारी होनी चाहिये, जो उचित जानकारी होनी चाहिये, वह न रहे। क्योंकि यह हो सकता है कि बोडर में गठन के समय अगर सरकार का कोई वफादार व्यक्ति है, उसको उसमें नामीनेट कर दिया जाए। यह सावधानी बरतने की आवश्यकता है।

वैसे मान्यवर, यह दोनों विधेयक जो प्रस्तुत किए गए हैं उनका मैं स्वागत करता हूं और इनका समर्थन करता हूं। जैसा मैंने पहले भी कहा है जब सारा विश्व साइंस और टेक्नालॉजी के मामले में तेजी से आगे बढ़ रहा है तो भारत सरकार को भी साइंस और टेक्नालाजी की विश्व स्पर्धा में अपने को भी खड़ा कर पाएगी जब कि उसको इस प्रकार की सुविधायें उपलब्ध कराते रहेंगे।

मैं एक बात और कहकर अपना निवेदन समाप्त करना चाहूंगा। जो हमारा बोर्ड बना है यह बोर्ड कैसे अधिक से अधिक रिच बन सके और इसके लिए अन्य आर्थिक संसाधनों की व्यवस्था कैसे होनी चाहिये, इस विषय में भी विचार किया जाना चाहिये।

SHRI JOHN F. FERNANDES (Goa). Mr. Vice-Chairman, Sir, I rise to support this Bill. This is a Bill which was long overdue. We have liberalised our policy about five years back. Though we have libralised our economy, it is globalised, but still India depends upon a screw-driver technology. We believe in importing foreign products and then assembling them here and putting our label and selling them. So, I think this Board was long overdue.

Sir, this is a special Board, in the sense, this Board is going to be a sort of a financial institution. We have many Boards created by Acts of Parliament, Mostly we have Boards for commodities. We have the Spices Board. We have the Coir Board. We have the Coffee Board the Tea Board, the Silk Board and what not. So this is a unique Board, I say, because this bill is going to be vested with financial powers. The financial power of the Development Bank will also vest in this Board.

Sir, while going through the Bill, I found that there are many shortcomings which I want to highlight to the hon Minister for his consideration. Sir, by virtue of clause 3, this Board would be controlled by bureaucrats. I have nothing against the bureaucrats. There are going to be eleven members. Seven members are going to be officials from various Ministries and four members are going to be non-official members.

Again, by this legislation, you give power to interfere. I say 'to interfere' because in every such legislation, we keep a clause saying that Government

will have the power to give direction on a policy matter. But this clause is not followed invariably. A junior officer in the Ministry will sabotage everything that is here. Though the Chairman of this Board will be the Secretary to the Government of India in charge of the Ministry or Department of the Central Government dealing with Science and Technology, the other powers in the very same legislation will totally downgrade it. Therefore, I would suggest to the hon. Minister to see that clause is deleted. If that is not done, certain powers are to be given in this very same clause. Clause 16 says that the Government will give directions on questions of policy. This is sub-clause (1) of clause 16. Sub-clause (2) says that this decision of the Government will be final. That means the Government can give any other directive. By having such a clause in the statute, I think whatever good work the Board does can be undone.

The second suggestion I would like to give is this. You have listed about seven officials from the various Ministries. But who has been excluded is an official from the Telecom Ministry. Just now we were debating the Telecom Policy. Telecom is a field where we are having advanced technologies. We are importing technology from outside. It would have been appropriate if the Telecom Secretarty was also made an *ex officio* member of this Board.

Again, clause 3(3)(h) says that the Board will have a Secretary. We do not know who the Secretary will be. Will he be a member-Secretary? In clause 4(1) it said that the Secretary will be appointed by the Board. The Board may appoint a Secretary. There is some ambiguity. Is he going to be a Member-Secretary or is he going to be an *ex offcio*-Secretary? There is ambiguity and unless the Minister makes it clear, the ambiguity will continue. Clause 4 only says that the Board may appoint the Secretary. Who is this Secretary? What is the qualification? I think the board is a high-powered one and its Secretary should not be anything lower in rank than an IAS officer. We are facing many problems in other Boards where the Secretary is a non-IAS official and the matter cannot be dealt with properly within the rules of the Government.

In clause 5, it is mentioned that they can appoint some other committees. The members of these committees can be nominated. But the members will not have voting rights. Again, there is ambiguity.

Clause 7 says that if a loan application is rejected, they have to give a written order. The Minister is not clear whether it is a quasi-judicial body. If a speaking order is to be given as to why the application is rejected, there has to be an appellate body. There is no appellate body constituted under the Bill. You cannot expect every entrepreneur to run to the High Court and the Supreme Court to solve his problems. I think it would be appropriate to have an appellate authority constituted under the Bill. Otherwise, we will again have bureaucratic red-tapism and I do not think the purpose of this Bill will be served. Unless the hon. Minister sees that the mechanism of an appellate tribunal or appellate body is properly indicated in this statute, do not think we will be in a position to fulful the purpose of this Bill. The hon. Minister may clarify whether it is going to be a quasi-judicial body or a plain Board as it is supposed to give a speaking order.

Mr. Vice-Chairman, Sir, they have also provided for natural justice here. When a loan is applied for, the party will be given a chance to be heard.

It is not mentioned here whether this grant will be given in the form of subsidy, loan on a total outright grant. Nothing has been made clear by the Government

here. The Government just have come with the Bill before Parliament and they themselves will frame the rules. They just take permission from Parliament and we do not know what intention they have and what type of rules they will frame. I hope the hon. Minister will clarify these points. He will also see to it that there is a saving clause so that this Board is given full powers because this Board is going to be a financial Board. It will be as good as a bank and every time a petty officer in the Finance Ministry is going to give direction, I don't think that will serve the purpose of upgrading our technology or developing our technology. Again, there is no provision that the Board will not be dissolved. Of course, they can dissolve the Board and supersede the Board. But you know when the term of the Board expires the Chairman himself acts as the Board. There is nothing in the Bill which says that a new Board will be appointed when the term of the Board has expired and only then the old Board will cease to function. I think that provision should be there. Otherwise, the Government will not appoint a new Board and the Chairman of the Board will be presumed to act as the Board. In that case there is going to be a lot of malpractices. If the hon. Minister sees to it that proper safeguards are taken to do away with these anomalies, it is going to be a good Act. It will be a most welcome step for the development of technology and for the research and development of the indigenous technology. I support the Bill. Thank you.

SHRI ASHOK MITRA (West Bengal): Mr. Vice-Chairman, I rise to speak because I have a commitment to the Minister. We traveled together from Calcutta the day before yesterday, sitting next to each other and he mentioned that he would be moving the Bill and I had assured him that I would be around to offer him moral support. But having said that, I have a doubt because I do not know whether to support or oppose the Bill and the reason why I am making this particular statement is that although the Minister made two separate statements which may be of two thousand words, he has not really explained the precise reason for suggesting these amendments — what really happened between 1986 and 1995. You had set up a Venture Capital Fund within the Industrial Development Bank of India. You were supposed to collect some cess to the extent of 5 per cent of the import value from those who have been importing technology from overseas. How much cess did you collect? To whom did you dole out this cese? What is the net effect? We do not know this part of the story. Now, all of a sudden, you say that all right, you are going to transfer this Fund from the IDBI to a new Board, to be presided over by a bunch of busy Secretaries to the Government of India. Now, there is a Tagore's song which goes as follows: "He says a lot of things without saying a thing". And this is precisely what it is. I wish I were entitled to know why this fiscal transfer of the functions is taking place from the IDBI to this new Board. In any case, you know we had for more than 30 years a Directorate-General of Technical Development with the Ministry of Industry. But around 1991-92, purposely you got rid of it. You demolished it. Now if it is a circuitous way of restructuring of reconstructing that particular Directorate-General, then you should let it know. But obviously the first thing that I would like to request the Minister to clarify is the conduct during those nine years. Then my second question is, all right, you have this new Fund. Maybe, you replenish it by getting money from the Reserve Bank of India or other public financial institutions or elsewhere. To whom are you going to distribute this money? We know the record of the private sector. All the creative adoptive technology that has taken place in the country since 1947 has taken place under the auspices of the public sector mainly in

the national laboratories under the auspices of the Council of Scientific and Industrial Research.

And we are proud of the fact that it is the self-reliance technology that was ushered in and developed in this country, that has been done in the public sector. The private sector was given all the encouragement by way of blanket tariff protection on the dead science and collaboration agreements. For example, the kind of creative animals' spirit that was let loose, has been let loose in countries such as Japan, China, Korea, is absent with our private sector. Their record is tragically nothing. That is insignificant. Therefore, I would say that under the pretext of trying to encourage creative technology, indigenous technology, in effect, we find that you are starving our national laboratories which are doing excellent work and you are channelling some of the money to some agencies set up by even multinational corporations. Multinational corporations can come in, set up a window, calling it national—this and national—that and they might claim money from this point. Now we should know to whom this money is going. And in any case, why can't the bulk of these funds be routed to the national laboratories? We know that they have been doing wonderful work, excellent work and we have come across technologists, scientists with these laboratories who have been complaining bitterly that in recent years the Government has been starving them of their funds. Why should not such funds go to them so that these who would contribute to the nation's self-reliance would be properly offered funds and such funds should not be frittered away and should not be handed over to such elements whose purpose and objective is to sabotage the country's independent economic development. I hope that the Minister would respond to some of these queries that I have raised.

SHRI VAYALAR RAVI (Kerala): Sir, I support this legislation. This is one of the major efforts to find out our own methods to make an inroad into the development of technology and scientific advancement. We are not lagging behind in the advancement of research. Even in the early days when we got freedom our former Prime Minister, Pandit Jawaharlal Nehru had a vision to go ahead with all kinds of encouragement to science and technology. And the Minister of Science and Technology is today starving of funds! And even though there are many good scientists with us, they are not getting the proper encouragement for developing technologies or inventing and developing more and more areas of science and technology. It is true that we could make a lot of investment in space technology and we could make indigenous development in that area because the Atomic Energy Commission and the ISRO are enjoying the full freedom. There is no red-tapism. There is no control of the bureacracy beyond a point. So, there the scientists are allowed to do their work independently in their own spheres of activity. Sir, here also, you see the functioning of the Ministry of Science and Technology. They do have many institutions of their own but those institutions could not function properly or they could not produce results as we expected of them because the scientists working there were not encouraged as was expected. Recently a trend has developed in this country, all over the world of course, 'Go in for foreign technology.' And import of foreign technology, in the name of development, to an extent, is killing the indigenous genius of our scientists. So, Sir, in this background an effort has been made to form a Technology Development Board for giving assistance to industrial institutions, as is said in Clause 6.

May I quote clause 6?

"6. The Board may—

(a) provide equity capital, subject to such conditions as may be determined by regulations, or anyother financial assistance to industrial concerns and other agencies attempting commercial application of indigenous technology or adapting imported technology to wider domestic applications;

(b) provide financial assistance to such research and development institutions engaged in developing indigenous technology or adaptation of imported technology for commercial application, as may be recognised by the Central Government."

So, this has to be the motto. This has to be implemented in a good sense.

Sir, we had an experience. In the early days when we sent in for cross bar exchanges there was a lot of debate here on the telephone issue. There were a lot of allegations on those days. I am afraid that some of the officers who negotiated it were being reemployed later in the ITI itself. Whatever it may be, I don't want to go into the details. This cross bar exchange has created hell of a problem to our own telephone industries. But our own scientists could make improvement on the cross bar exchange and develop a new technology and it worked well. Later, Sir, a decade ago, we started the C-DoT which is a new development. Now, unfortunately, the craze for foreign technology and the import of exchange equipment have created a new problem. I will give one example. In the Ernakulam exchange they have imported something from Europe and installed it. I don't want to go into the details. But when there is a power cut the whole thing collapses because it has to be operated in an air-conditioned situation. In this country, in India, our topographical condition, our geographical condition and our climatic condition are not suited to the developments in technology and we go in for the European system or American system. We have a great scarcity of power. When we are going to make the telephone exchanges in air-conditioned rooms in the country, I don't know what is going to happen. I only give an example. So, it is necessary that we have to go in for our own indigenous technological development, which has already been done in the telecom sector. Unfortunately, those people have been side-tracked and we have gone in for new agreement and new technologies many of which, I am afraid, are obsolete. Whatever the weserners or the Americans are selling to us is obsolete technology. I know that there is a factory, which is producing titanium products, in Kerala. We have gone in for silica technology there. Now it is no more. For the last ten years there is no silica technology. The world is moving fast. The technologies have changed. Whenever we go abroad and make some kind of negotiations for technology import, they think that we are a dumping ground and whatever is obsolete in Europe or in other countries is given to us. In this background it is necessary to give encouragement to the industrial houses or any other institutions which are doing research work and they should be given financial assistance. In this connection, I may draw the attention of the house to the constitution of the Board which is spelt out here. But I am only worried about its fate. Its fate should not be that of the Science and Technology Ministry because of lack of fund and bureaucratic redtapism. Our research institutions are suffering for want of encouragement to scientists. You look at the ICAR. ICAR is one of the biggest institutions, which has gone great service to the nation. I am so proud of it. You will remember Dr. Swaminathan's contribution. I am saying it not because he is from Kerala, from my district, but because his contribution is very great. Today what has happened to that ICAR

itself? Unfortunately, there is a lot of infighting among the scientists, maybe, on account of promotion or this and that. Some people there have got some kind of a dogmatic approach. Some senior officers have got some kind of an arrogant approach. This is a kind of situation which sometimes leds the scientists to commit suicide. Why should the scientists be compelled to become victims of suicide? There is a tendency to commit suicide. It is because of frustration. This kind of frustration should not be allowed in these institutions. So, in ICAR or CSIR or whatever it may be, scientists should be more enthusiastic than dejected. If you want to make them enthusiastic, we must give them proper training, proper encouragement, proper laboratories, etc. They all need finance. It needs money. Then naturally the question will come whether the Government alone can do this. The answer is 'no'. It needs the support of the private industry also. Today there is no law which completed any private institution or any private industry to have a well-equipped research and development department. You see the private industries. Their profit has gone up by 200 per cent or 300 per cent. This profit of 200 per cent or 300 per cent is not because of productivity, not because of production, it is because of the looting of the people. They increase the prices and loot the people and then they say that they are making a huge profit. But, out of this profit they are not spending any amount on research and development. So, creation of his Board will be very useful. The private industries and the big business houses would also go in for research and development activities.

Sir, while supporting this Bill I would like to make an appeal to the Government that when they constitute this Board it should have competent people and it should be given more freedom and it should not be tied up with bureaucratic approach and red tapism. They must understand that they are dealing with an institution which makes research and development and they have to run along with the development of the world. It needs proper training and proper understadning and also our understanding with the international scientific community. That also we are not preventing. But when you have an interaction with the inernational scientific community, it should be with a Swdeshi thinking, it should be with an indigenous thinking, it should be in terms of our topography, it should be in terms of our climate which should suit this country. I feel that the Government is moving in the right direction. After the GATT and with the existence of WTO, the patents regime has come. Of course, we can also go in for patents, but you may not agree with that. The patents regime is a reality where we also have to compete and make our money on our own. It will help our scientists. Our people are competent enough to compete with anybody in the world. Our country is resourceful enough to compete in the global market. we can develop our indigenous technology. With this hope and with this expectation, I support this Bill. Thank you.

PROF. M.G.K. MENON (Rajasthan): Mr. Vice-Chairman, Sir, I would like to, first of all, say that I am in full agreement with the basic objectives and purposes of this Bill and I would like to strongly support it. It is very clear that India has a very high capability in science and technology. One needs only to look at some of the examples. My good friend, Shri Vayalar Ravi, has already referred to the Indian Council of Agriculture Research. If we are self-sufficient in food today, if we have incresed our food production significantly, it is due to the efforts made not just to import technology but to ensure that we have technology appropriate to our conditions, which relates to the neeus of our farmers,

the types of pests encounters, the ecology, the environment and the like. Our scientific capability is not restricted to food production. We have demonstrated it elsewhere also. There might be other problems associated with fructification. We have demonstrated it. For instance, in the case of atomic energy.

For a very long time, if I may say so, for the last two decades, we have been handling entirely on our own, the entire fuel cycle starting from mining uranium, which primarily today comes from Jaduguda. Of course, as you know, there are also abundant reserves in the North-East. We have developed technology which is respected all over the world. This relates to mining purification, conversion into fuel elements designig and commissioning of reactors, production of heavy water, control systems, and the like. This involves a full cycle of systems to finally produce electricity. Also, and most people don't realise this, nuclear energy has a great usage in terms of use of isotopes for example for producing special types of seeds; for example, groundnuts. Take the breeder seed variety in Maharashtra. 90% of this comes from mutations induced by radiation. The whole production of radio isotopes required in this country, is based on our capabilities. You know of our space programme and our highly successful capabilities in satellite fabrication, commissioning, launching and the like. I can continue, Mr. Vice-Chairman, with a whole list of capabilities and accomplishments of Indians science and technology. But all I would like to say is that constantly one is asked, if that is so, why we are not in a position to produce technologies which are relevant elsewhere in the industrial sector, and which relate to the market requirements. Now, first I would like to emphasize that the technologies that we had to develop were in strategic areas. These were in specific areas like atomic energy, space, defence and agriculture and full support was given to it. But as soon as you get into areas which relate to large-scale commercialisation of technology, which relate to markets, a significant part of that has to be done by those closest to the market namely industry. For a long time, Indian scientists have said that there has to be a very close interaction between our scientific capabilities and Indian industries. The latter must demand technologies, and demand capabilities which already exist in the laboratories. Today we are in a completely different situation with the competitiveness arising after the current development in the global market and so on. I would say that if we were to ask ourselves how we are going to proceed at the present moment from the view-point of new technologies needed to meet this situation, the position is indeed dismal unless we support our science and technology fully in terms of the necessary finances. I know that many of the CSIR laboratories today are diverting what are called plan funds, which are meant for new programmes and new activities, for non-plan purposes to support their ongoing activities, in paying salaries, for meeting administrative expenses and a whole variety of things. They are not really using these funds for the plan purpose for which they were meant. Industry in India is generally small compared to world industry. The multi-national corporations that exist elsewhere, the scale of their sales, the allocation for research and development they make are enormously large. What we are providing in our country for research and development in the industrial sector is very small. Therefore, there is need to identify areas in which we have the possibility of being competitive, and to ensure that adequate effort is made in those particular areas in the same way as we have achieved success in our atomic energy programme,

space and defence programme or agricultural research. We must bring together capabilities that exist in our universities, in our national laboratories and in our industry. This essentially means two things. One is the availability of funds which will enable us to take up programmes of research and development which will result in technology development which is competitive, which is at the front-line and where we have specific advantages. It is equally important to see that it is not done just in the secluded areas of our academia. It must be done in a way which relates to industry. This means a particular type of planning. One of the best examples in this regard is the way Japan, for instance, organises itself for the purpose. It brings together not just one industry. It is not also a matter of saying that here is a project and money is available for it. It consciously brings together many, many large industrial groups and research and development capabilities to work together for a very definite objective. We may want to have a satellite for remote sensing. We may want a satellite for communications. We may require a light combat aircraft. We may wish to produce a certain class of missiles. We may want to have a new class of defence equipment, atomic reactors. Equally we may wish to have many in our civilian and industrial sectors. To do this it is important to involve the related sectors, clearly define the objective and relevent areas and bring together all those concerned and back it up with adequate resources. The finances available under the set-up so far are not sufficient. The plans are not mission-oriented. That is why the great advantage of this type of funding, through this cess, would be that it could be allocated for a particular purpose. Through the Board concerned it could be allocated for specific, targeted and mission-oriented objectives. That is why I support this Bill. But I would say that it calls for very careful technology forecasting. It calls also for specifying the areas in which we can deserve the maximum advantage. For instance, we have the world's lowest man-power cost, particularly skilled man-power cost. Our man-power cost for software development is very low. There are a whole range of items involving testing and development, engineering, where we have advantage because of this low cost manpower etc. We have to identify such areas where we have great capabilities. After these are identified, the industrial research centres and the national research laboratories have to be brought together and finances povided adequately. It must be ensured that this fund should principally be available for well defined purposes. We may have to import certain technologies from abroad. But ultimately whatever we develop must be our own. This should be our objective and this should be the way in which this fund should be used.

Mr. Vice-Chairman, Sir, I recall that the follow-up of the original Technology Policy Statement which was announced by Mrs. Gandhi in 1983, included the setting up of a Technology Development Fund. It was proposed long back a decade ago. Since then it has been lying with the Government. I am very glad that finally it has seen the light of the day. Let me hope that the Government will make a really meaningful use of this, to ensure that we do develop technology which can be in the frontline and which can enable us, not to be the importers of technology, but to be developers of high technologies and their exporters too. With that, I strongly support the Bill which is before the House.

THE VICE-CHAIRMAN (SHRI MD. SALIM): Mr. Agarwal—not present. Mr. Balanandan.

SHRI E. BALANANDAN (Kerala): Thank you very much, Mr. Vice-Chairman. I would like to make a few submissions on this Bill. I have no

quarrel with the Bill which has been brought before the House. Indigenous technology development and its commercial use is of utmost importance. Prof. M.G.K. Menon was saying that in the area of atomic energy, India was one of the best in the world. We are very proud of this. There are also certain other things about which India can be proud of. I will not go into the

5 P.M. technical side of it. Take, for example, the production of electricity in the country. Our designing of electrical generators and other machines as also the production of electricity is qualitatively equal to international standards and price-wise it is the cheapest in the world, which fact, I do not know whether our friends in the Government are taking note of or not. In the name of liberalisation, they are bringing so many machines which are five times costlier and telling us that it is for our progress. I do not understand this, Sir.

I am not going to deal with any other subject but only one, and that is, that in the research and development area we are having our public sector institutions. They are starving of funds. They have done absolutely commendable job, which any nation in the world will really envy. I will cite an example. Our Prime Minister recently went to Bangalore to inaugurate our LCA project. Our nation was proud to see our Prime Minister standing by the side of a machine which had been designed and developed by our own engineers at the HAL plant in Bangalore. If you go further into the story, you will find that on November 12, Mr. Mallikarjun, our Defence Minister, has come to some arrangement with Mr. William Berry, the Defence Minister of United States for cooperation in defence research and development between India and the U.S. We know now what the United States is up to. They are supplying sophisticated weapons to Pakistan against the interests of India, which is known to all of us. It is here that I am saying that the United States offered us their support in this LCA project and which they didn't do. Our scientists themselves indigenously developed this LCA project inspite of the United States going back from the assurance that they had given to us. I can go on extending this story. But I only want to say, don't take India as a country poor in science, poor in technology, that nothing can be done in India and only foreign companies can do everything. This is the idea with which we are proceeding.

Therefore, in the liberalised atmosphere, when some funds are being created for this kind of research and development, the Government of India should see to it that indigenous research and development is assisted, which can be done in co-operation with the public sector institutions. The private organisatiosn will not help. Private contribution to research and development is very negligible. Therefore, the vital sector of research and development has to be kept in the public sector and the required funds have to be provided. Then only we can progress.

I hope the Government will keep this in mind. Thank you very much, Sir.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL): Mr. Vice-Chairman, Sir, I am thankful to the hon. Members who have participated in the discussion on this Bill. I am equally thankful to all of them because the support has come almost unanimously from all the hon. Members who have participated in the discussion.

Sir, this Bill, as the objects clearly show, envisages the setting up of a Technology Research Board because earlier there was a Venture Capital Fund which was administered by the I.D.B.I.

and it was found that the administration of this Venture Capital Fund should be left in the hands of an independent Board which will be able to devote greater attention to the diverse problems which may arise in the administration of the Fund for promotion of science and technology. Therefore, the Finance Minister had indicated in 1994 Budget that there should be a separate Technology Research Development Board which will be responsible for the administration of this technology and research, and in pursuance of that, this Bill has been introduced. As a result of this Bill, the Board will be now constituted, and on it there are Secretaries of different departments which are interested in the development of science and technology. The Secretaries of the Departments of Science and Technology, Industrial Research, Industry and various other Departments which are concerned with the application of modern science and technology have been made members of the Board. Apart from that, there are four other persons who will be representing in the Board, and they will be recruited from the men who have attained eminence in the field of technology, banking and finance and also in rural development.

Therefore, this is a well represented Board and, I think, there is no apprehension in any Member's mind that this Board will be exercising its powers and responsibilities in a bureaucratic manner. The Board itself is constituted of different departmental people and also people from outside who are great experts in their fields and I hope that there will be no occasion for the type of concern that has been expressed by some of the Members while supporting the Bill.

The fund would be by way of a cess of five per cent on the import of foreign technology as also on the import of foreign technology by automatic process. That means, without any approval by the Government of India the import of foreign technology is permitted. The cess will be levied on the import of foreign technology by any process whatsoever and this entire fund will be utilised by the Board for the purpose of development of fine technology, industrial technology, applied to industrial concerns. As the hon. Members have rightly pointed out, India does not suffer from any technological development. We are proud that our scientists and technologists have attained eminence all over the world and because of this we are importing foreign technology only for adoptation to Indian industrial concerns. As a result of this, indigenous technology also has to be developed. The imported foreign technology and our indigenous technology will be utilised for the purpose of application to industrial concerns. In this process, there will be no difficulty for the Board in applying this fund to the industrial concerns. Abstract science and technology may not be of much use unless it is applied to our industrial spheres and that is why the fund will be utilised for the purpose of developing technology for the application of industrial concerns. These will also be utilised for research institutions. Some hon. Members have pointed out as to what other agencies are there through which this fund shall be paid. The other agencies are research and technology institutions. Even the rural development centres may get a sufficient amount of fund if they are engaged in the development of industrial technology as applied to our rural sector. There is no apprehension from any body that this fund will not be utilised for the purpose for which this fund has been set up. This Board has been set up with a laudable objective and all the Members have expressed their full approval for institution of this fund. All the clauses of the Bill are aimed at promoting such industrial technology.

Some Members have expressed concern and said that rules and regulations should

be so framed by the Board that there will be no arbitrariness. I have only to point out that these rules and regulations are to be laid before the House and, therefore, there will be a Parliamentary check. The powers are to be given to the Board, which would be the highest authority under this Bill. But, such powers will be regulated. Because of this the rules and regulations are to be placed before the House for approval. Since this Bill is a laudable one I would request that the Bill may be passed by the entire House.

THE VICE-CHAIRMAN (SHRI MD. SALIM): Now, the question is:

"That the Bill to provide for the constitution of a Board for payment of equity capital or any other financial assistance to industrial concerns and other agencies attempting development and commercial application of indigenous technology or adapting imported technology to wider domestic applications and for matters connected therewith or incidental thereto, as passed by the Lok Sabha be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI MD. SALIM): Now we shall take up clause-by clause consideration of the Bill.

Clauses 2 to 23 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

DR. DEBI PROSAD PAL: I Move:

"That the Bill be passed."

The question was put and the motion was adopted,

THE VICE-CHAIRMAN (SHRI MD. SALIM): Now the Question is:

"That the Bill to amend the Reserach and Development Cess Act, 1986, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

श्री संघ प्रिय गौतम (उत्तर प्रदेश): महोदय, मैं यह कह रहा था कि हमारा जो कंप्रीहेंशन है आनरेबल मिनिस्टर यह है, उस पर आपने ज्यादा जोर नहीं दिया कि हमें जो अपनी टैक्नोलोजी है उसके डिवैलपमेंट पर ज्यादा जोर देना चाहिए, बजाय इसके कि हम इंपोर्ट करें इसको आपने बड़े कमजोर शब्दों में कहा है। इसलिए आप यह एशोरेंस दीजिए कि हम अपने स्वयं की टैक्नोलोजी को डिवैलप करने में ज्यादा फंड खर्च करेंगे और ज्यादा ताकत लगायेंगे।

उपसभाध्यक्ष (श्री मोहम्मद सलीम): संघ प्रिय जी, आप हिन्दी में जितना बल दिए हैं वह अंग्रेजी में वैसा ही फोर्स दें। लेकिन थोड़ा कम हो गया है।

Now, we shall take up clause-by-clause consideration of the Bill.

Clauses 2 to 5 were added to the Bill.

Clause 1, the Enacting formula and the Title were added to the Bill.

DR. DEBI PROSAD PAL: I move:

"That the Bill be passed."

The question was put and the motion was adopted.

STATEMENT BY MINISTER
Flooding of Gasitand Mine of Bharat Coking Coal Limited on 26th/27th September, 1995

SHRI SANGH PRIYA GAUTAM: (Uttar Pradesh): The House should be adjourned now.

उपसभाध्यक्ष (श्री मोहम्मद सलीम): एक स्टेटमेंट है, जगदीश टाइटलर जी हैं, वह भी इस दफ्तर के नए मंत्री हैं। नए मंत्री का बिल अपने पास कर दिया, पुराने मंत्री के नए दफ्तर का स्टेटमेंट तो आप सुन लें...(व्यवधान)

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI JAGDISH TYTLER): I will give clarifications tomorrow .....*(Interruptions)*....